MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2017/2018

TIA3121 – INFORMATION SYSTEMS AUDIT
(All sections / Groups)

24th OCTOBER 2017
9.00 am – 11.00 am
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 4 pages with **FIVE** questions only.
2. Attempt **ALL** questions.
3. All questions carry equal marks and the distribution of the marks for each question is given.
4. Please write all your answers clearly and neatly in the **answer booklet** provided.

QUESTION 1

(a)   With reference to IT governance framework, identify an implementation plan with TWO IT objectives and its relevant IT activities you would recommend to any Fortune 1000 business enterprise.

[3 marks]

(b)   As an IT auditor, what should you know about the general standards according to Generally Acceptable Auditing Standards (GAAS)?

[3 marks]

(c)   In your opinion, what is the most significant importance of internal controls for a bank? List TWO internal controls available in a bank's IT department.

[2 marks]

(d)   Briefly explain the physical controls, a branch of control activities in terms of segregation of duty and access controls, for a manufacturing firm.

[2 marks]

QUESTION 2

(a)   Design an audit program to evaluate a *Systems, Applications, Products in data processing* (SAP) system.

[4 marks]

(b)   With reference to (a), develop an audit plan if part of the SAP system had been outsourced to third party auditing.

[3 marks]

(c)   Maybank is a leading financial institution. What are the TWO types of attestations that you could conduct for Maybank? If you were working on compliance review attestation, what compliance policies are relevant to Maybank?

[3 marks]

QUESTION 3

(a)   XYZ Co. is a public listed food and beverage company, who has their own internal system and a website. Using guestimation approach, analyse FOUR types of security risks associated with the company in the table below.

Security Risks	Probability of occurrence (%)	Average Loss (RM)	Expected Annual Loss (RM)

[4 marks]

(b)   "Eligible students must complete two sets of research proposal form to apply for defense presentation. Student's supervisor and co-supervisor must sign the request form and student should forward it to admin office. Admin reviews the approved request and makes a venue booking for presentation. Admin retains final copies of the form." Based on the scene, illustrate an internal control flowchart.

[4 marks]

(c)   How would you use Delphi method to get company's stakeholder consensus on the asset valuation?

[2 marks]

QUESTION 4

(a)   Appraise FOUR network associated risks and analyse FOUR solutions to the problems.

[4 marks]

(b)   What is asset misappropriation? Compare cash larceny and payroll fraud.

[3 marks]

(c)   In conducting forensic investigation, one of the methods is to interview executives. Generate THREE relevant query checklists.

[3 marks]

QUESTION 5
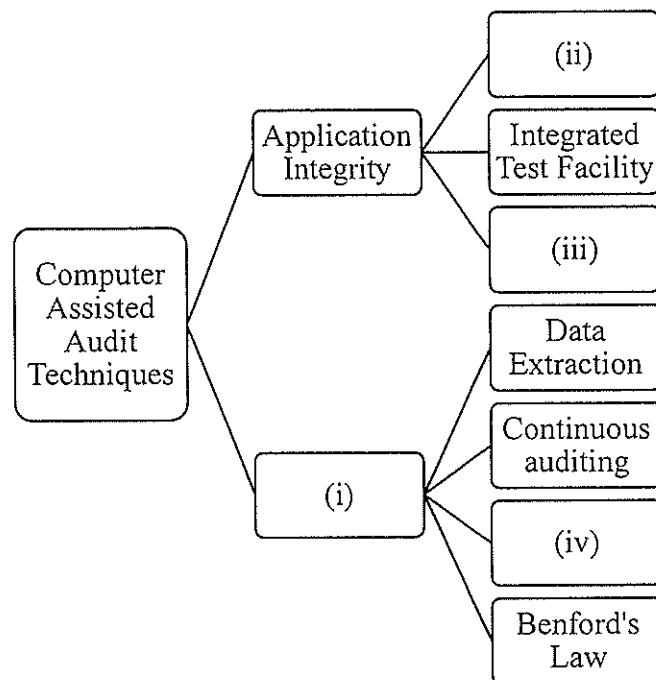
(a)   What is an electronic audit trail? Why does an IT auditor need to review the audit trail when auditing electronic businesses?

[2 marks]

(b)   Relate TWO examples of e-business privacy policy. Explain the need for IT auditors to audit the e-business privacy policy.

[3 marks]

(c)   Refer to the following diagram and label (i), (ii), (iii) and (iv).

[2 marks]

(d)   With reference to (c), develop an example to identify fraud using method (iv).

[3 marks]

End of Page